

REMARKS/ARGUMENTS

Formal Matters

A new title is being supplied. Entry is requested.

Claims 1-15 were objected to because of minor ambiguities in the claim language. The ambiguities pointed out by the Examiner have been corrected without changing the scope of the claims.

Claims 16-20 were rejected under 35 U.S.C. 101 on the ground of double patenting. Claims 16-20 have been canceled.

Claims 1-15 have been rejected on the ground of double patenting over claims 1-15 of the applicant's U.S. Patent 6,088,683, under the doctrine of In re Schneller. A Terminal Disclaimer is enclosed. Please charge the \$110.00 fee for the Terminal Disclaimer to our Deposit Account No. 15-0700. The double patenting rejection of claims 1-15 should therefore be withdrawn.

35 U.S.C. 112 Rejections

Claims 21-37 have been rejected under 35 U.S.C. 112, second paragraph. The Examiner pointed out alleged deficiencies in independent claims 21, 33 and 34. The Examiner's helpful suggestions are appreciated. In most cases, the Examiner's suggestions have been adopted or utilized in making responsive amendments to the claims. However, the 35 U.S.C 112, second paragraph rejections have not necessitated any change or narrowing of the scope of any of the claims.

In some cases, the Examiner's suggestions for claim amendments have not been adopted, if such amendments would have added unnecessary limitations to the claims. For example, in connection with step (c) of claim 21, the Examiner suggested that the claim must recite from where the transaction center receives information about registered customers. The origin of the information about the customers is not part of the invention and is not required for the claim to be definite. Information about a customer of the transaction center could be provided by the customer himself over the telephone, or by mail, or by a friend or acquaintance of the customer, or even indirectly by a merchant, or

by any other source. It is only relevant how the transaction center processes the customer information. This is only one example.

However, as stated above, in most cases the Examiner's suggestions about alleged indefiniteness of the claims have been seriously considered and utilized in making appropriate, non-limiting claim amendments.

If the Examiner believes that further unclarity exists in any of these claims, he is urged to telephone the undersigned rather than issuing a new Office Action under 35 U.S.C. 112, second paragraph.

Prior Art Rejections

Claims 34-36 have been rejected as being clearly anticipated by Chelliah.

The Chelliah patent is about an electronic commerce system. The invention of claim 34 has an authentication subsystem wherein a purchase set is received by a transaction center, "thereby enabling, said customer to authorize payment for said purchase set by a telephone call to said transaction center." No such subsystem is disclosed or suggested by Chelliah.

Therefore, the prior art rejection of claims 34-36 should be withdrawn.

New claims 38-54 are being submitted to cover additional aspects of the invention. These claims are submitted to be allowable as well.

Comments

Following are additional comments and illustrations regarding the claimed invention:

The invention solves a particular problem common to most commerce systems, namely, authentication of transactions. Authentication of transactions can be done at the point of performing a transaction or at the beginning of a session. For example, when a user logs onto a website, the identity is authenticated for a session. During that session, any transactions can be assumed to be authenticated. Alternatively, a user can use a website and not be authenticated until some future point, for example, when "checking out" to pay for goods or services.

The invention includes a system for authentication using the telephone network. This authentication method is based on the telephone network. Two principles are utilized. One is that a telephone number, when dialed, corresponds to a single destination; the second is that when a telephone call is received, the incoming number can be known. (Optionally, a PIN or another known method can be used to augment the authentication.)

A "purchase set" may include intended transactions that are simply cash transfers, for example, not purchases of goods or services. The exchange of goods or services is not specifically required. The parties need not be a merchant and a customer. Any payer/payee transaction is included within the scope of the invention.

The registration step need not occur before the step of creation of a purchase set. Registration just needs to be done before an authorization is meaningful.

The term "merchant" as written in the specification can mean any party other than the party making the payment. The merchant might be selling any conceivable item or offering any type of transaction. The merchant may be selling the service of allowing a person to pay another person, the service of a person paying for an item to be delivered by the merchant, the service of a person paying for an item to be delivered to that person by a party other than the merchant, and so on. Moreover, the merchant and the transaction center are logical terms that may represent one and the same legal or physical entity.

Authorization, Person-to-Person, In-store Purchases:

The invention can be used moreover in many applications other than a basic web-based retail shopping system. The invention includes a processing center that can:

- accept incoming requests from a PAYEE for authorization of payments.
- accept detailed information about for what transaction authorization is requested.
- authenticate a PAYER
- provide authorized instructions to PAYEE

The PROCESSING CENTER uses telephone network identification information coupled with optional additional identification information, for example a PIN number.

Note the use of the terms "Payer" and "Payee" instead of "Customer" and "Merchant". The PAYER is the label for the party making the authorization. and PAYEE

is the label for the party receiving any instructions as authorized by PAYER. In practice, there may be a Third Party which might provide information to the PROCESSING CENTER about a PAYER and a PAYEE, wherein said Third Party acts as an exchange, arbiter, conduit, or marketplace for a transaction to take place between PAYER and PAYEE. Therefor, the information received by the PROCESSING CENTER need not necessarily be sent to the PROCESSING CENTER by either the PAYER or the PAYEE.

Note that the PAYEE and PAYER from the point of view of the PROCESSING CENTER are interchangeable. The PROCESSING CENTER acts to provide a set of authorized instructions from one party to another. For illustrative purposes, the words PAYER and PAYEE have been used. The invention includes applications where a person initiates a request to pay a PAYEE and a PAYEE uses the PROCESSING CENTER TO authorize the acceptance of a payment.

The invention can be implemented as part of a system that might have the following features for ease of use, convenience, and business requirements:

- present PAYER with information on what PAYER is paying for
- allow PAYER to authorize or to reject a request for authorization
- allow PAYER to authorize or reject on a line-item basis
- store a plurality of additional information associated with PAYER, for example, a set of credit-card numbers for a PAYER.
- present the PAYER with a choice of options for payment.

The request for payment authorization sent to the PROCESSING CENTER may include only PAYER Registered Identification Information as known by the PROCESSING CENTER. That is, no information about a financial institution or credit-card numbers needs to be sent to the PROCESSING CENTER.

The Registered Identification Information may be the PAYER's telephone number or an alias identification information which may be mapped by the PROCESSING CENTER to the PAYER's telephone number. Specifically, an email address, or other unique alphanumeric string can be used to identify a party to the PROCESSING CENTER. In this case, the PROCESSING CENTER would look up the set of registered telephone numbers for the party.

The system works with any telephone network terminal device.

The system is open as to the details of order processing, order fulfillment, product selection, and financial institution verification and authorization process. Therefore modules that handle those parts of any system can be customized or interchanged without diminishing from the value of the present invention.

ALTERNATIVE APPLICATIONS other than retail shopping website:

It is possible to apply the invention to a person-to-person payment system as distinct from a retail commerce system. In such a person-to-person payment system, the processing center of the invention might receive identification information about a Payee and identification information about a Payer. The PROCESSING CENTER might make a telephone call to the PAYER to authorize the payment. Alternatively, as described previously in the patent application, the PROCESSING CENTER can receive a call from the PAYER, look up the incoming number using the "CALLER ID" feature of the telephone network, and with optional additional identification information provided by the user, for example, a PIN number, the PROCESSING CENTER can go to the step of accepting the PAYER's instructions for authorization or rejection.

It is possible to apply the invention to an in-store purchase system. In such a system, the PROCESSING CENTER can receive over an electronic network, not over the telephone network, from a merchant, information about a purchase to be made by a customer. For example, the customer may have selected an item for purchase by using an in-store kiosk, or by scanning items at an in-store checkout. The store in this scenario is the PAYEE. The customer is the PAYER. The customer provides a registered telephone number or an alias that is provided to the PROCESSING CENTER by the store. The PROCESSING CENTER calls the registered number. Normally, the PAYER answers the telephone, which, in this case, is most likely a mobile telephone.

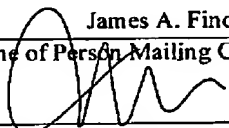
It is even possible to apply the invention to an electronic access authorization system. In this system, the user is called and access is granted if the user responds appropriately. For example, a user wants to access a website. The site requests a registered telephone of the user if not already otherwise identified to the site. The site uses the PROCESSING CENTER to call the registered number and request authorization for allowing access to the site. Upon receipt of the authorization instruction, the website grants access to the user and grants associated privileges to the user. Associated

privileges may include the right to conclude further transactions without further requests for authorization.

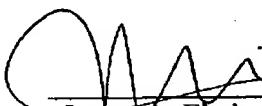
Conclusion

In view of the foregoing amendments and remarks, the Examiner is requested to allow claims 1-15 and 21-54 and pass this case to issue.

I hereby certify that this correspondence is being transmitted by facsimile to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on January 19, 2004:

James A. Finder
Name of Person Mailing Correspondence

Signature
1/19/04
Date of Signature

Respectfully submitted,


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